

Designated Grants

Department of Health and Social Services – Program 10

I. PROGRAM OBJECTIVES

The objective of funds appropriated under the provisions of Alaska Statute 37.05.316, Grants to Named Recipients, is to enable community service agencies and municipalities to offer services which will enhance the social or health well-being of the residents of the State of Alaska.

II. PROGRAM PROCEDURES

Public funds are appropriated annually to the Department of Health and Social Services, Division of Family and Youth Services by the State Legislature. These funds may be either designated as a “Community Human Services Matching Grant” to be used by a municipality directly or as pass-through funds; or the funds may be designated to go directly to a particular service organization. The award of the funds must be in compliance with the provisions of AS 37.05.316.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

Under AS 37.05.316 grants to named recipients are awarded for services which will enhance the social or health and well-being of the residents of the State of Alaska. Services may be varied providing the goal is met.

Suggested Audit Procedures

Review:

1. Contract or final Notification of Grant Award (NGA) including all conditions;
2. grant/contract revisions and related transmittal letters;
3. licenses, certifications, approvals, status of private non-profit corporation, if applicable;
4. budget documents including final revised budget and budget narrative; and

Test financial and related records to determine that funds expended were for purposes specified in the grant/contract.

Compliance Requirement

Costs allowed or unallowed under this program are determined by the terms and provisions of the grant or contract.

Suggested Audit Procedures

- Review grant/contract and related budget documents;
- Test financial and related records to determine the appropriateness of costs in accordance with grant/contract; and
- Determine whether expenditures are within the budget limits prescribed by the grant/contract provisions.

Compliance Requirement

A named recipient grant or earnings from a named recipient grant awarded under AS 37.05.315 -.317 may not be used for the purpose of influencing legislative action nor for travel in connection with influencing legislation.

Suggested Audit Procedures

- Review AS 37.06.321 to determine restrictions on use of grant funds; and
- Test financial and related records to determine that grant funds are not being used to influence legislation as defined in AS 37.05.321.

B. ELIGIBILITY

Compliance Requirement

The recipient must be designated in the enabling legislation in accordance with AS 37.05.316.

Suggested Audit Procedure

- Review enabling legislation.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirement

There are no matching or level of effort requirements.

Unless specified in the appropriate legislation or grant/contract documents.

D. REPORTING REQUIREMENTS

Compliance Requirement

The agency must submit quarterly activity and expenditure reports no later than fifteen days after the close of each quarter, or as specified in the grant/contract documents.

Suggested Audit Procedures

- Confirm if such reports are being filed timely;
- That reported revenues and expenditures agree with the agency's general ledger; and
- That expenditures are within the budget limits or contract provisions.

Compliance Requirement

Agency audited financial statements must present a statement of revenue and expenditures for each state grant/contract. Such statements must show, for each state fiscal year grant, the final approved budget by line item category, actual revenues and expenditures and variance between budget and actual revenues and expenditures. Disallowed or questioned costs must be clearly disclosed.

Suggested Audit Procedure

- Review audited financial statements for compliance with above.

Compliance Requirement

The agency must clearly show on their audited financial statement any outstanding liability to the State as payable to the State. This includes unspent grant funds or allowed costs.

Suggested Audit Procedures

- Determine whether or not the agency has any outstanding liability to the State; and
- Review audited financial statements to ensure proper presentation.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

The agency must act upon any recommendations made by program site review.

Suggested Audit Procedures

- Obtain a copy of program site review; and
- Determine if recommendations in the site review are being implemented.

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